Meeting Minutes **Pete Suazo Utah Athletic Commission July 28, 2006** 

In attendance: Mike Zollinger, Thad LeVar, Scott Reed, Ken Hansen, Rhett McQuiston, Rene DeLuca, James Valdez, Mike Stidham, Rick Norton (AG's office).

Per Diem sheet signed.

July 2006 Minutes approved.

### Issuing A Cease And Desist Order Against Edward Mendy For Usage Of PSUAC Name In Promotional Contracts

The PSUAC name has been inappropriately used by Mr. Mendy in promotional contracts between himself and individual fighters. The AG's office has prepared a cease and desist order to send to Mr. Mendy regarding this inappropriate use.

Valdez would prefer not to see the "Pete Suazo Utah Athletic Commission" title used in the heading of any fighter/promoter contract. He suggested instead that it be placed at the bottom of the form to the effect that said contract is "in compliance with PSUAC guidelines."

Attorney Reed cited a provision in the statute which may suggest that the Commission *is* responsible for providing form contracts. Reed interprets the statute to say that the Commission is obligated to provide a form of a contract that would be presumed by the Commission to be valid. However, the parties are free to create their own contract which would then be scrutinized by the PSUAC and not simply accepted as approved as to form.

Mr. Mendy is using his own forms but appears to be using "PSUAC" to imply that the contract is a standard, approved form. This is misleading.

### Valdez moved that the cease and desist letter be sent to Mendy. McQuiston seconded. Motion passed.

Zollinger handed out copies of the notice of agency action previously sent to Mr. Mendy (June 2006). Mendy has made no formal response to the notice. Reed recommended that a hearing be scheduled regarding the charges and any action to be taken pursuant to that hearing. It was decided that a 30 day advance notice of any hearing would be given to Mr. Mendy.

Deluca moved that a hearing date be set for Mr. Mendy of Friday, October 13, 2006 at 9:00 a.m. Valdez seconded. Motion passed.

### 2. Failure of Flash Newman to File Gate Receipt for August 4<sup>th</sup> event.

Promoters have 10 days after their event to file the gate receipt report. Newman's ten day period expired last Monday with his failure to file the report and pay the amount due. In the past, Zollinger has made special trips to Newman's place of business to collect the funds within the 10 day period. Hansen suggested the possibility of a schedule of fines to be levied for late payment of gate receipts.

McQuiston moved that Flash Newman be fined \$200 for failure to timely file gate receipts. Valdez seconded. Motion passed. McQuiston would like the wording to include that no future events will be approved until both the fine and the gate receipts are paid in full.

### 3. Report from AG's office:

- a. Forfeiture of Bonds: Reed will report next meeting on bond issues.
- b. <u>Procedure for Fines</u>: The Commission has statutory authority to impose fines up to \$2,500 through proper procedures. Rules need to be further clarified regarding fines. Commissioners should consider possible changes to be made through the rule making process.
- c. <u>Contract Guidelines Forms</u>: Reed and Zollinger are looking into whether form contracts already exist.
- d. <u>Letter Regarding Insurance Deductible:</u> There has been ongoing confusion over responsibility for the insurance deductibles. A letter will be drafted to remind fighters that they are responsible for certain costs. McQuiston would like to look at the possibility of using email addresses to communicate with fighters. **McQuiston moved that promoters be allowed to add a link to the PSUAC website on their promotional sites. Valdez seconded. Motion passed.**
- e. <u>Legality of Free Rooms Being Provided to PSUAC by Casino or Promoter</u>: Reed will review the Utah Public Officers Act to determine appropriateness of free rooms for PSUAC events. Zollinger will look into the possibility of a fleet van.
- f. <u>Referee and Judge Training Issues</u>: Discussion about requiring continuing education for referees and judges. The ABC is willing to perform this training at no cost, but at the moment, they do not have the funds to do so. Lonnie Foster is willing to perform training for free.
- g. Rules for Security Personnel and Ringside Physicians: Discussion on whether the Commission needs to establish guidelines, rules and training requirements for these new licensees, or whether an amendment at the next legislative session will make this a moot point. It was suggested that a promoter identify a single security person to be licensed under this act who would act as security for the Commission and Inspectors. The Commission will begin the rule making process on this issue.

# 4. <u>Discussion of Rule to Take Action Against Licensee Under the Immediate Suspension Allowance.</u>

The Commission has the authority to issue immediate suspensions against contestants to protect the health and safety of either that individual or the public. In 2005 the law was changed to give the Commission authority to issue an immediate suspension against *any* licensee (not just a contestant). However, the Commission needs to consider making a rule to deal with immediate suspensions for licensees other than contestants. It may be possible to simply change the wording from "Contestant" to "licensee." **Deluca moved that the wording in rule 151-33-403 be changed from "contestant" to "licensee". Valdez seconded. Motion passed.** This will move into the rule making process.

#### 5. <u>Unarmed Contest Series – Definition by Rule.</u>

Currently there is no rule to define a contest "series". The Commission needs to clearly define the parameters of a "series." The Commission also needs to discuss and determine the fee associated with a series. Deluca and McQuiston will research possible definitions of a "series" and present the findings at a future Commission meeting.

# 6. <u>Stidham's Current Contest Application (Series) Does Not Include Upcoming September 16<sup>th</sup> Event</u>

Stidham's original contest application for the series ended on September 9<sup>th</sup>. However, due to the holiday weekend, and the fact that the last event is an "underage" Championship, there is a question as to whether the event on the 16th event falls into the "series". McQuiston moved that the event on the 16<sup>th</sup> be allowed as part of the series. Valdez seconded. Motion passed.

### 7. Setting of Regular Commission Meetings

Hansen moved that Commission meetings be regularly set for the second Friday of every month at 1:00 p.m. Motion passed

Meeting Adjourned.

NEXT MEETING: SEPTEMBER 8<sup>TH</sup> 2006.